

Message Text

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FM SECSTATE WASHDC

TO AMEMBASSY SAIGON

INFO ALL EAST ASIAN AND PACIFIC DIPLOMATIC POSTS

USSAGE NKP

CINCPAC

AMCONSUL BIEN HOA

AMCONSUL CAN THO

AMCONSUL DANANG

AMCONSUL HONG KONG

AMCONSUL NHA TRANG

USDEL JEC PARIS

COGARD

TREASURY

XMT AMEMBASSY SUVA

AMEMBASSY RANGOON

UNCLAS STATE 202003

COGARD FOR POLAD

E.O. 11652: N/A

TAGS: PFOR, XC, US

SUBJECT: SEPTEMBER 13 EA PRESS SUMMARY

1. GENERAL

CONFIRMATION OF HABIB MENTIONED IN ARTICLES MAINLY
DWELLING ON CONFIRMATION OF SHIRLEY TEMPLE BLACK
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(NYT; NYDN; WP). S-N (9/12) CARRIES HABIB PHOTO
WITH REPORT THAT HE TOLD SFRC IT WOULD BE "UNWISE
POLICY" TO CUT OFF MILITARY ASSISTANCE TO KOREA;
THAT US AID MADE IT POSSIBLE TO MAINTAIN UNEASY

PEACE BY PROVIDING DETERRENT TO RENEWAL WAR.

2. INDOCHINA

IN SPECIAL MESSAGE, PRES TELLS CONGRESS HE IS "DISTURBED" OVER DEEP CUTS IN FOREIGN AID. THOUGH NOT MENTIONED IN MESSAGE, WH SPOKESMAN SAYS PRES ESPECIALLY CONCERNED ABOUT PROPOSED CUTS IN MIL AND ECON AID TO SVN; QUOTES FORD AT BREAKFAST MEETING WITH CONGRESSIONAL LEADERS THAT CUTS WOULD SEVERELY REDUCE SVN'S SELF-DEFENSE ABILITY "IN THE FACE OF INCREASING NORTH VIETNAMESE MILITARY ACTIONS" (NYDN). PHINQ'S FREED SEES PRES' PLEAS AS APPEARING TO GENERATE LITTLE ENTHUSIASM AMONG CONGRESSIONAL LEADERS, WITH EVEN SEN. SCOTT INDICATING LITTLE HOPE THAT CUTS WOULD BE RESTORED.

GWERTZMAN (NYT) SEES FORD'S APPEAL TO CONGRESSIONAL LEADERS AS CLEAR SIGN THAT HE PLANS TO MAINTAIN SAME SUPPORT FOR SAIGON AS PREVIOUS ADMINS. PRES ALSO TOLD MANSFIELD AND SCOTT OF CONCERN THAT RESTRICTIVE AMENDMENTS TO AID BILL APPROVED BY SFRC WOULD "SEVERELY LIMIT" HIS ABILITY TO CONDUCT FOREIGN POLICY. GWERTZMAN REVIEWS REDUCTION OF MIL AID TO SVN FROM ADMIN'S REQUEST FOR 1.4 MILLION DOLS IN DOD APPROPRIATIONS BILL, AND CUT IN ECON AID FROM ASKED-FOR 750 MILLION DOLS TO 420 MILLION DOLS BY SFRC AND TENTATIVE 450 MILLION DOLS BY HFAC. SEES HILL REACTION TO APPEAL AS UNENTHUSIASTIC, QUOTES "SEVERAL MEMBERS" OF SFRC THAT THEY THOUGHT ADMIN WOULD BE FORTUNATE TO GET AMOUNTS AUTHORIZED BY COMMITTEE. GLOBE'S NYHAN QUOTES CONGRESSIONAL LEADER THAT SECSTATE IN BRIEFING "TOLD US THAT THE UNITED STATES WOULD LOSE FACE WITH THE REST OF THE WORLD" IF WE DIDN'T FUND SVN; QUOTES "SOURCES" THAT PRES TOLD LEADERS THAT NVN WILL STALL ON POLITICAL SETTLEMENT AS LONG AS IT BELIEVES US IS 'LOSING ITS APPETITE"

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TO PAY FOR SVN'S ARMS AND AMMO. STATES THAT ONE SENATOR PRESENT TOLD FORD THAT SVN ARMED FORCES WILL HAVE TO CHANGE FIGHTING STYLE AND BECOME MORE AGGRESSIVE IN SEARCHING FOR FOE WITHOUT "SATURATING THE COUNTRYSIDE' WITH EXPENSIVE US-MADE AMMO. NYHAN BELIEVES PRES WILL BE HARD-PUT TO JACK UP SVN BUDGET AFTER CALLING FOR LARGE CUT IN EXPENDITURES AS ANTI-INFLATION MEASURE.

DOD URGES CONGRESS TO HALT FURTHER DELIVERY OF EXPENSIVE F-5E IN WAKE OF SHARP CUTBACK IN MIL AID TO SVN, ACCORDING TO INFORMED SOURCES; PENTAGON RECOMMENDS THAT 71 FIGHTERS SCHEDULED FOR DELIVERY TO GVN BE BOUGHT BY USAF INSTEAD. SVN WOULD STILL RECEIVE 78

ALREADY BOUGHT AND PAID-FOR TO REPLACE F-5AS (REUTER, CSM).

MIL SOURCES IN CAMBODIA SAY COMMUNIST FORCES MOVE CAPTURED 155MM CANNON WITHIN RANGE OF PP; FIRST TIME THIS LARGE WEAPON REPORTED IN THEIR HANDS. INTELLIGENCE REPORTS SAY REBEL BOMBARDMENT, INTENDED TO SHOW VULNERABILITY OF GKR, WOULD COINCIDE WITH OPENING OF UNGA ON SEPT 17 IN ATTEMPT TO CONVINCE UN DELEGATES THAT CAMBODIA SHOULD BE REPRESENTED BY GRUNK (WP).

PL SAYS WILL RELEASE EMMET KAY NEXT THURSDAY AS PART OF POW EXCHANGE (GLOBE). LAOS COALITION IRONS OUT LAST DETAILS OF POW EXCHANGE THAT WILL INCLUDE ABOUT 660 THAIS, 180 NORTH VIETS AND EMMET KAY (UPI, PHINQ).

USG LISTS 320 AS MIA IN LAOS; SAYS BODIES OF 250 CONFIRMED DEAD IN LAOS NOT RECOVERED (AP, BALTO N-A 9/12).

3. CHINA

UNDER PHOTO OF FLACCID-FACED MAO SHAKING HANDS WITH GOWON, NYT QUOTES DIPLOMATIC SOURCES IN PEKING THAT CHAIRMAN TAKING SEA AIR AT PEITAHO WHERE HE HAD RECEIVED GOWON AND EYADEMA IN RECENT DAYS.

S-N (9/12) HAS REPORT FROM DIPLOMATIC SOURCES IN UNCLASSIFIED

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LONDON THAT CHOU EN-LAI WILL RETIRE AS PREMIER THIS YEAR DUE TO ILLNESS BUT WILL REMAIN IN POLITBURO AS ELDER STATESMAN. TENG HSIAO-PING EXPECTED TO HEAD COLLECTIVE GOVERNMENT, WITH NO CHANGES IN POLICY EXPECTED, ACCORDING TO THE SOURCES.

REUTER LISBON REPORTS OVERSEAS TERRITORIES MINISTER SANTOS SAYING GOP PLANS TALKS WITH CHINA BEFORE MAKING DECISION ON FUTURE OF MACAO. WHILE PORTUGAL RECOGNIZED RIGHT OF SELF-DETERMINATION AND INDEPENDENCE OF OVERSEAS TERRITORIES, MACAO IS "SPECIAL CASE". ARTICLE NOTES SANTOS PLANS EARLY VISIT TO MACAO AND TIMOR (WP).

CSM (HK) REPORTS NCNA ARTICLE CLAIMING PRC MINORITY REGIONS HAVE REGISTERED SIGNIFICANT (BUT UNSTATED) POPULATION GROWTH IN RECENT YEARS DUE TO GOVERNMENT MEASURES INCLUDING IMPROVED HEALTH SERVICES. ARTICLE NOTES THAT 50 NATIONAL MINORITIES OCCUPY 50 PERCENT OF LAND AREA BUT COMPRISE ABOUT SIX PERCENT OF POPULATION.

SABHARWAL OF SUN'S NEW DELHI BUREAU ASSERTS PRC AND INDIA SEEM TO BE ON CONFRONTATION COURSE OVER INDIA'S MOVES ON SIKKIM. SAYS APPARENTLY SWARAN SINGH DISCUSSED CHINESE REACTION WITH SOVIETS IN MOSCOW THIS WEEK; WHAT SHAPE THE CONFRONTATION WILL TAKE WILL PROBABLY UNFOLD IN THE COMING INDO-PAKISTAN TALKS WITH PAKS REFLECTING PRC INPUT.

JOC'S STRAUSS FROM HK REPORTS PRC PLANS ANNOUNCE MEMBERSHIP IN ICAO WITHIN NEXT FEW MONTHS, WITH IATA MEMBERSHIP TO FOLLOW. AVIATION OFFICIALS IN HK, SOURCE OF ABOVE INFO, ARE WONDERING IF PRC WILL CHANGE VISA POLICIES TO MAKE FORTHCOMING OPENING OF JAPAN-CHINA RUN PROFITABLE; PRESENT FLOW THROUGH HK IS VERY SMALL.

JOC SPECIAL FROM TOKYO CITES FM ESTIMATES THAT WHILE PRC EXPANDED FOREIGN TRADE 54 PERCENT IN 1973 OVER 1972, SHE SHIFTED THAT YEAR FROM 200 MILLION DOLLAR SURPLUS TO 500 MILLION DEFICIT, WITH MAIN GROWTH IN UNCLASSIFIED

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IMPORTS REPRESENTED BY FOOD AND MACHINERY. US BENEFITTED MOST FROM CHANGING PATTERN OF IMPORTS, RISING TO THIRD PLACE AMONG PRC'S TRADING PARTNERS.

4. KOREA

ABOUT 1500 CATHOLIC PRIESTS AND LAYMEN HAVE CALLED FOR IMMEDIATE RELEASE OF BISHOP CHI AND OTHERS IMPRISONED FOR VIOLATING PARK'S DECREES BANNING POLITICAL DISSENT (AP, NYDN).

5. KOREA/JAPAN

NYT'S HALLORAN REPORTS FROM SEOUL THAT KIM DONG-JO AND JAPANESE AMBASSADOR USHIROKU ARE NEARLY AT IMPASSE IN NEGOTIATIONS. GROK WANTS APOLOGY FROM JAPAN FOR INCIDENT FOR WHICH JAPAN DOES NOT FEEL RESPONSIBLE AND PLEDGE FROM GOJ TO CONTROL ACTIVITIES OF NK SUPPORTERS IN JAPAN WHICH ARE LEGAL UNDER JAPANESE LAW. KIM HAS TOLD USHIROKU THAT GROK READY TO WITHDRAW DIPLOMATS FROM TOKYO. SUN REPORTS FINAL PROPOSALS HAVE BEEN DELAYED FOR DAY, AND KIM HAS PUT OFF SCHEDULED DEPARTURE FOR WASHINGTON, WHERE HE WAS TO MEET WITH HAK. KIM SAYS HE IS READY TO RESIGN IF SOLUTION NOT REACHED.

HALLORAN ADDS THAT POLICE SAY DEMONSTRATIONS PLANNED DAY OR TWO AHEAD, WITH SCRIPT WORKED OUT BETWEEN DEMONSTRATORS AND POLICE. TV COVERAGE ALSO COORDINATED TO ENSURE BEST COVERAGE OF ACTION. POLICE SOURCES SAY GROUP OF DEMONSTRATORS WHO RANSACKED JAPANESE EMBASSY

INCLUDED GOVT AGENTS. ;

WP'S OBERDORFER REPORTS 4000 PROTESTERS WEARING MASS-PRODUCED HEADBANDS WITH PRINTED SLOGANS AND CARRYING HAND PAINTED SIGNBOARDS WITH REFERENCE NUMBERS MARKED ON REVERSE, STAGED CAREFULLY ORCHESTRATED CLASH WITH RIOT POLICE NEAR JAPANESE EMBASSY. MAN IN BLUE SUIT DIRECTED SEQUENCE AS TV CREWS RECORDED ACTION. CROWD FLARED BRIEFLY WHEN SECURITY AGENTS SEIZED MAN WHO APPARENTLY DEPARTED FROM SCRIPT. DEMONSTRATIONS UNCLASSIFIED

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WITHOUT GOVT APPROVAL ARE BANNED IN ROK.

SUN'S SEIDEN DESCRIBES POLITICAL LIFE OF "FRACTIOUS"

KOREAS LIVING IN JAPAN. PRO-NK GROUP CLAIMS 250,000 ADHERENTS AND HAS BUREAUCRACY OF 10,000. SK GROUPS CLAIM EVEN MORE, THOUGH DEEPLY DIVIDED. PRO-PARK GROUP HAS LARGEST OFFICIAL MEMBERSHIP. ALLEGIANCE USUALLY MORE DEPENDENT ON IDEOLOGY THAN ON GEOGRAPHICAL ORIGIN. THOUGH N. KOREAN GROUP BETTER ORGANIZED, RUN LIKE GOVT IN EXILE, PARK'S AGENTS AND ANTI-COMMUNIST FOES OF PARK REGIME ALSO ACTIVE, BOTH OPENLY AND SECRETLY. WARRING BETWEEN FACTIONS HAS CREATED WEB OF INTRIGUE IN WHICH SPIES AND DOUBLE AGENTS THRIVE. ALTHOUGH CONSTITUTIONALLY GUARANTEED RIGHT TO INTERNAL POLITICAL ACTIVITIES, FEW RESIDENT KOREANS ALLOWED TO BECOME NATURALIZED CITIZENS AND PARTICIPATE IN JAPANESE POLITICS. THIS PLUS PATTERN OF DISCRIMINATION LEAVES MOST STILL HOPING TO RETURN SOMEDAY TO A UNITED KOREA.

NYT'S BINDER SAYS USG EXPECTS MORE INCIDENTS ALONG CONTINENTAL SHELF AFTER PROHIBITION OF FOREIGN FISHING THERE GOES INTO EFFECT DEC. 5. JAPAN AND ROK AMONG PRINCIPAL TARGETS OF BAN.

6. JAPAN

WELCOMED BY MORE THAN 1000 ON ARRIVAL IN MEXICO CITY (UPI, NYT)), TANAKA BEGINS 16 DAY VISIT TO N. AND S. AMERICA. EXPECTED TO PROMOTE TRADE, ENSURING INCREASED SUPPLY OF RAW MATERIALS. TANAKA ATTACKED AT HOME FOR LEAVING JAPAN IN MIDST OF MAJOR DIPLOMATIC CRISIS (SUN). NYT'S BUTTERFIELD SAYS TRIP, DESIGNED TO RESTORE BATTERED PUBLIC IMAGE AT HOME, OVERSHADOWED BY RIFT WITH KOREA.

NYT'S ERICSON REPORTS METROPOLITAN OPERA WILL TOUR JAPAN NEXT SPRING AT COST OF 2 MILLION DOLS. PROJECT SPONSORED BY CHUBU NIPPON BROADCASTING CORP (ALSO NYDN).

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CYPRUS MINES SAYS JAPANESE IMPORTERS AGREE TO AVERAGE PRICE INCREASE OF 27-30 PER CENT ON ALL IRON ORE PURCHASES IN MOVE EXPECTED TO SPREAD TO ALL COUNTRIES IMPORTING ORE. JAPANESE HAD ALREADY SIGNED SIMILAR CONTRACT WITH AUSTRALIANS (WSJ).

RESOURCE-SHORT JAPAN BEGINNING TO FOCUS ON CITY GARBAGE AS SUPPLY OF BASIC MATERIALS. SEVERAL COMPANIES COMPETING TO IMPORT TECHNOLOGY FOR REFUSE RECYCLING. SCIENCE AND TECHNOLOGY AGENCY HAS DEVELOPED METHOD OF SEPARATING SCRAP PAPER AND REPRODUCING GOOD QUALITY PAPER WITHOUT DRYING, PULVERIZING, OR ANY OTHER

PRELIMINARY PROCESS (JOC).

7. AUSTRALIA

AUSTRALIA TO BE FOUNDATION MEMBER OF INTERNATIONAL BAUXITE ASSN., WHICH COULD DEVELOP AS ONE OF WORLD'S MOST INFLUENTIAL COMMODITY GROUPS, CONTROLLING ABOUT 2/3 OF WORLD'S BAUXITE (JOC).

8. NEW ZEALAND

WITH BOTTOM FALLEN OUT OF TRADITIONAL BRITISH MARKET FOR NZ LAMB, 30,000 LEGS OF FROZEN LAMB SPECIALLY TREATED BY NEW TENDERIZING PROCESS BEING SHIPPED TO US (JOC).

NZ EUROCURRENCY LOAN INCREASED BY 75 MILLION DOLS TO 400 MILLION DUE TO STRONG DEMAND AMONG PARTICIPATING BANKS (WSJ).

9. GENERAL

REUTER BANGKOK CITES REPORT OF DRUG-LAW-ENFORCEMENT CHIEFS FROM 14 ASIAN COUNTRIES THAT DRUG TRAFFIC TO AMERICA AND EUROPE HAS INCREASED, OFTEN THROUGH TOURISTS USING SOUVENIRS TO SMUGGLE THEM OUT (CSM).

REUTER HONOLULU REPORTS AGREEMENT OF AT LEAST 20 UNCLASSIFIED

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GOVTS OF NATIONS BORDERING PACIFIC TO WORK TOGETHER TO MAP NATURAL RESOURCES. PARTICIPANTS INCLUDE US, AUSTRALIA, JAPAN, INDONESIA, NZ, BRITISH SOLOMONS, TAHITI, AND NEW CALEDONIA (CSM).

COMMENT AND ANALYSIS

CHINA

CSM CARRIES LENGTHIER VERSION THAN DID YESTERDAY'S WP AND NYT OF JOHN BURNS STORY ON WANG HAI-JUNG AND TANG WEN-SHENG APPOINTMENTS TO FORMIN. OF MISS WANG, CHINESE OFFICIALS INSIST SHE IS WOMAN OF PROVEN ABILITY IN HER OWN RIGHT, AND DIPLOMATS WHO HAVE MET HER ARE INCLINED TO AGREE. DESCRIBES HER AS SHORT AND BESPECTACLED, WITH SELF-CONFIDENCE CHARACTERISTIC OF CHINESE CLOSE TO CENTER OF POWER; APPEARS TO BE QUICK WITTED AND TO HAVE LIVELY SENSE OF HUMOR. CORRESPONDENTS FOUND HER ONE OF THE MORE APPROACHABLE OF SENIOR OFFICIALS. ON ONE OCCASION SHE BROKE STORY OF LIN PIAO'S ATTEMPTED COUP TO NEWSMEN WHO GATHERED AROUND HER AT RECEPTION. ON ANOTHER SHE TWITTED THEM FOR FAILURE TO SPOT REAPPEARANCE OF VICE PREMIER TENG HSIAO-PING, WHO POPPED UP IN LEADERSHIP LINEUP AT STATE BANQUET.

MISS TANG'S APPOINTMENT COMES AS SOMETHING OF A SURPRISE, AS SHE HAS HITHERTO FUNCTIONED MAINLY AS INTERPRETER. IN THIS CAPACITY SHE IS RATED AS BRILLIANT, SERVING FAULTLESSLY AT ALMOST ALL OF MAO AND CHOU SESSIONS WITH ENGLISH-SPEAKING VISITORS LIKE NIXON. HER ELECTION AS ALTERNATE MEMBER OF CCPCC WAS ONE OF THE SURPRISES OF LAST YEAR'S PARTY CONGRESS SINCE INTERPRETERS DO NOT USUALLY ASPIRE TO POLITICAL POWER.

MARQUIS CHILDS (SUN) CONSIDERS OPENING TO CHINA NIXON'S "CONSPICUOUS ACHIEVEMENT"; CREDITS NIXON WITH GIVING THE "STARTING SIGNAL" WHILE HAK "MIGHT HAVE BEEN THE ENGINEER". THE CHINA CONNECTION CONTINUES TO BE A STRONG PLUS IN US POLICY AS UNDERSCORED BY PRES. UNCLASSIFIED

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FORD'S OHIO STATE SPEECH, VISIT BY CODEL FULBRIGHT, AND SOLO VISIT BY JACKSON, WHO ENDEARED HIMSELF TO CHINESE LEADERS NOT ONLY BECAUSE OF HIS KNOWN HOSTILITY TO DETENTE WITH USSR.

VIEWS BRUCE APPOINTMENT AS USLO CHIEF 15 MONTHS AGO AS RECOGNITION OF IMPORTANCE OF POST. NOTES PUZZLEMENT OVER APPOINTMENT OF BUSH. RECALLS THAT BUSH WAS SERVING AS AMBASSADOR TO UN WHEN PEKING MOUNTED SUCCESSFUL OFFENSIVE AGAINST "TWO CHINA" POLICY THAT BUSH DEFENDED TO THE BITTER END ON WASHINGTON ORDERS. ONE EXPLANATION FOR APPOINTMENT IS THAT BUSH WOULD BE

ON HAND WHEN TRANSITION TAKE PLACE FROM MAO AND CHOU TO YOUNGER GENERATION.

ANN LANDERS, WITH AMA DELEGATION, WATCHES THYROIDECTOMY USING ACUPUNCTURE. ALTHOUGH SHE WAS DRESSED IN SURGICAL GARB AND MASK, SHE WAS ALLOWED TO CARRY FAN - SAME ONE USED PREVIOUS DAY WHILE VISITING COMMUNE PIGSTY; USED IT TO FAN PROFUSELY PERSPIRING PATIENT. ALSO WITNESSED PARTIAL LUNG REMOVAL, USING ACUPUNCTURE; OPERATION DID NOT GO WELL AND DELEGATION MEMBER HELPED ADMINISTER OXYGEN AS OPERATING TEAM MEMBER. SAYS ACUPUNCTURE HAS BEEN USED AS "CURE" IN CHINA FOR CENTURIES, BUT AS ANESTHETIC IT HAS BEEN IN USE ONLY SINCE 1958. MOREOVER, IT WAS DISCONTINUED IN 1960 WHEN LIU SHAO-CHI AND OTHER "COUNTER-REVISIONISTS" DEEMED IT "UNSCIENTIFIC AND OF NO PRACTICAL VALUE." IN 1966, MAO ORDERED TECHNIQUE REVIVED. CITES AMA DELEGATION AS AGREEING UNANIMOUSLY THAT ACUPUNCTURE HAS MERIT IN SELECTED CASES. HOWEVER, DELEGATION BELIEVES ACUPUNCTURE IS MORE AN ANALGESIC THAN AN ANESTHETIC AND NOT LIKELY TO BECOME WIDELY USED IN WESTERN SURGERY (WP, NYDN, PHINQ, GLOBE).

SUN EDITORIALIZES ON REPORT OF AMA DELEGATION ON PRC MEDICAL CARE AS CARRIED IN AMERICAN MEDICAL NEWS. CITES DELEGATION AS HAVING MOSTLY PRAISE FOR HEALTH CARE SYSTEM THAT CAME FROM A PRIMITIVE CONDITION 25 YEARS AGO TO REASONABLY MODERN STATUS TODAY; WHAT UNCLASSIFIED

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IMPRESSED DELEGATION MOST WAS ENTHUSIASM AND HUMANITY WITH WHICH HEALTH CARE DELIVERED IN CHINA, BUT FOUND SOME TECHNOLOGICAL DEFICIENCIES. WHILE AMERICAN MEDICINE HAS MORE TO OFFER PATIENTS IN TECHNOLOGICAL SOPHISTICATION THAN DOES CHINESE MEDICINE, IT IS IN PROVIDING CARE TO ALL THE PEOPLE THAT THE AMERICAN SYSTEM MAY HAVE ITS GREATEST DEFICIENCIES. SUN CITES DELEGATION MEMBER THAT CHINESE SYSTEM COULD NOT AND SHOULD NOT BE ADOPTED WHOLESALE IN US, BUT CONCLUDES THAT THE PHILOSOPHY OF PROVIDING CARE TO EVERYONE SHOULD BE.

KOREA

NYDN'S MICHAEL POUSNER WRITES LENGTHY ARTICLE ON REV. SUN MYUNG MOON, DESCRIBING HIM AS BEING AS "ELUSIVE AS ANGEL DUST," WHILE HIS FOLLOWERS ARE

UNIQUE, "SEEMINGLY ON EVERY MIDTOWN (NY) CORNER." SAYS QUESTIONS AND CONTROVERSIES SURROUNDING MOON AND HIS MOVEMENT ARE ENDLESS: IS HE, AS MOST FOLLOWERS STRIDENTLY INSIST, THE NEW MESSIAH, OR IS HE A

KOREAN-STYLE ELMER GANTRY, LIVING THE GOOD LIFE WHILE HIS FAMILY PRACTICES ASCETISM? IS HIS WELL-MONIED MOVEMENT PARTLY FINANCED BY ROKG? MANY ANSWERS ARE "ENMESHED IN THE NETHER WORLD OF KOREAN POLITICS". CITES "MOONIES" FIERCELY DEFENDING THEIR LIFESTYLE AND THEIR LEADER AND HAVING NO DOUBT THAT REV. MOON CAN SAVE AMERICA. ONE QUESTION REMAINS, SAYS POUSNER: DOES AMERICA WISH TO BE SAVED BY REV. MOON?

JAPAN

CSM'S LACHICA IN TOKYO CITES BOSTON CONSULTING GROUP VICE PRES AS SAYING THAT JAPAN IS CLOSE TO LICKING INFLATION WHILE US IS JUST RUNNING INTO THE WORST OF IT. STATEMENT COINCIDED WITH PUBLICATION IN LONDON OF CONTROVERSIAL REPORT, TITLED 'JAPAN IN 1980 - THE ECONOMIC SYSTEM AND ITS PROSPECTS,' COMMISSIONED BY UK'S TRADE DEPT. BCG VP SEES TWO ECON POWERS ON OPPOSITE SIDES OF INFLATION WAVE - US STILL RIDING UP CREST
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AND JAPAN ALREADY SLIDING AWAY FROM IT. LEVELLING OFF OF WHOLESALE PRICES IN JAPAN AND SUBSIDING MENACE OF GALLOPING WORLD COMMODITY PRICES ARE TRENDS FAVORING JAPAN, BECAUSE THEY MINIMIZE EXTERNAL PRESSURES ON JAPAN'S ANTI-INFLATION POLICIES. WAGE INCREASES TO LABOR LAST SPRING WERE ONE BIG SHOCK JAPANESE ECON HAD TO ABSORB, BUT UNIQUE JAPANESE PRACTICE OF SETTLING WAGE DISPUTES ALL AT ONE TIME IS PROVING ADVANTAGEOUS COMPARED WITH US PRACTICE OF INDIVIDUAL UNION BARGAINING.

AUSTRALIA/INDONESIA

CSM'S TOOHEY IN SYDNEY REPORTS FUTURE PORTUGUESE TIMOR A SUBJECT OF DISCUSSION BETWEEN WHITLAM AND SUHARTO LAST WEEKEND IN BOROBUDOR. CITES WHITLAM TELLING SUHARTO HE FELT ANY ASSUMPTION OF INDO CONTROL OVER TIMOR WOULD NEED TO BE WITH APPARENT CONSENT OF TIMORESE, AND WANTING ASSURANCE THAT INDOS HAVE NO EXPANIONIST PLANS FOR SOON-TO-BE INDEPENDENT PNG, WHICH SHARES COMMON BORDER WITH WEST IRIAN.

TOOHEY OBSERVES RECENT EMERGENCE OF THREE SMALL POLITICAL PARTIES IN TINOR ADVOCATING ALTERNATIVE PLANS FOR FUTURE: CONTINUED UNION WITH PORTUGAL, INDEPENDENCE, AND UNION WITH INDO. INDOS REGARD ABSORPTION OF PORTUGUESE PORTION OF TIMOR AS MOST SATISFACTORY SOLUTION, SINCE THIS WOULD RULE OUT CHANCE OF POTENTIALLY TROUBLESOME REGIME ON DOORSTEP. PORTUGUESE AUTHORITIES INDICATED THAT PLEBISCITE WILL BE HELD SOMETIME IN 1975. GOA FOREIGN AFFAIRS OFFICIALS BELIEVE MAJORITY WOULD CHOOSE CONTINUED

LINKS WITH PORTUGAL, ALTHOUGH THEY SAY THIS VIEW
COULD BE EXPECTED TO LOSE SUPPORT OVER TIME.
PROSPECTS FOR DISCOVERING SIGNIFICANT MINERAL OR
PETROLEUM DEPOSITS LOOK PROMISING, ALTHOUGH SO FAR
NONE MADE. THERE ARE FEW OTHER RESOURCES. AS A
RESULT, WHITLAM SAYS PORTUGUESE TIMOR WOULD BE TOO
IMPOVERISHED TO MAKE INDEPENDENCE A VIABLE PROPOSITION.

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WSJ'S KANN IN SAIGON WRITES THAT US LOSES ONLY MONEY
AS VIETS KEEP LOSING LIVES AND SVN FACES DISMAL
ECON PICTURE. C-F GOT US OUT BUT "CAME NOWHERE NEAR"
BRINGING PEACE; REVIEWS ROUGH TIME SVN AID IS HAVING
IN CONGRESS, QUOTES SENIOR US MIL OFFICER THAT EVEN
PENTAGON IS NOT SYMPATHETIC ANY MORE. DESCRIBES
MOUNTING VIOLENCE IN SVN THAT SOME OBSERVERS SEE
AS RAY OF HOPE SINCE IT MAY FORCE VN BACK ONTO "WORLD'S
CONSCIENCE", PROMPT PRES FORD TO TAKE SOME NEW
INITIATIVES, LEAD HAK TO REOPEN TALKS WITH NVN, AND
CAUSE CONTENDING VN LEADERS TO BEGIN TALKING SERIOUSLY
ABOUT COMPROMISES; BUT MOST VIETS WON'T BET MUCH ON
COMPROMISES AND PEACE. THERE IS LITTLE REASON TO
BELIEVE WAR CANNOT - OR WILL NOT - GO ON AND ON.
NEITHER SIDE MAKING SORT OF MIL GAINS THAT WOULD
ALTER BALANCE AND LEAD TO COMPROMISE OF RIGID
POLITICAL POSITIONS. SAIGON RECENTLY TAKING BEATINGS,
BUT FAR FROM LOSING WAR.

DESPITE DIRE PREDICTIONS, SVN ARMY HASN'T DESERTED
IN DROVES OR PANICKED WITHOUT US AIR SUPPORT. BOTH
SIDES FIGHT AND DIE BUT, AS US OFFICIAL SAYS,
"NEITHER SIDE HAS GAINED ANYTHING THAT COMES CLOSE
TO JUSTIFYING THE BLOODSHED..." CHANGE IN LAST YEAR
IS EXTENT TO WHICH BOTH SIDES FLAGRANTLY VIOLATE
C-F. KANN SAYS QUESTIONABLE WHETHER WASHINGTON POLICY-
MAKERS ARE AS PLEASED ABOUT GVN AGGRESSIVENESS AS US

OFFICIALS IN SAIGON ARE; QUOTES OFFICIAL THAT AMEMBASSY
IS "KIND OF LEOPARD SPOT" ON US POLICY. TRYING TO
APPORTION BLAME FOR C-F VIOLATIONS IS UNPRODUCTIVE
SINCE ALMOST ANY COMBAT CAN BE CALLED "REACTIVE" AND
TERM 'CONTESTED' CAN BE STRETCHED TO COVER MOST OF
RURAL SVN. AGREEING ON WHO CONTROLS WHAT IS BASIC
POINT FOR ANY C-F, BUT HAS PROVEN DIFFICULT SINCE
IMPORTANT POLITICAL ISSUES INVOLVED: GVN REFUSES
TO RECOGNIZE COMMUNIST ZONES SINCE IT SEES THIS AS
RECOGNIZING PRG. ICCS IS MORIBUND AND CANNOT
FUNCTION UNLESS BOTH SIDES WANT IT TO. AT PRESENT
VC, "EVEN BY GENEROUS DIPLOMATIC ESTIMATES," FULLY

CONTROL NO MORE THAN TEN PERCENT OF POPULATION;
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US OFFICIALS SAY FIVE. IN EITHER CASE, FAR FROM
ENOUGH TO ENTICE COMMUNISTS INTO ELECTORAL CONTEST,
AND THIEU REFUSES TO CONSIDER COALITION OR ANY FUTURE
ROLE FOR "THIRD FORCE."

MANY VIETS BELIEVE THAT EVERYTHING DEPENDS ON GREAT
POWERS, BUT KANN THIKS THIS DOESN'T QUITE CONFORM
TO REALITY SINCE NEITHER VN HAS PROVED NOTABLY
EASY TO PUSH AROUND. HANOI IS ADEPT AT PLAYING
SOVIET AND CHINESE OFF AGAINST EACH OTHER WHILE
CHARTING OWN COURSE; AND GVN, DESPITE WHAT COMMUNISTS
SAY, ISN'T SIMPLY WASHINGTON'S PUPPETOV BUT BOTH
DEPEND ON ALLIES FOR MIL AND ECON ASSISTANCE. NVN
HAS IMPROVED LOGISTICAL SYSTEM AND HAS MASSIVE STOCKPILES
OF MIL EQUIPMENT INSIDE SVN. US AID CUTS DISTRESS
SVN AND AMERICAN OFFICIALS AND, WHILE THEY MIGHT
FORCE GVN TO BE MORE FRUGAL AND CAUTIOUS, ALSO MIGHT
CAUSE IT TO FIGHT LESS EFFECTIVELY AND TAKE HIGHER
CASUALTIES. IN ANY CASE, KANN SEES LITTLE SIGN THAT
GREAT POWERS HAVE "GAME PLAN" FOR ENDING WAR.

QUOTES SOME ECONOMISTS THAT ECON ACCOMODATION MAY BE
LAST BEST HOPE: MOST BASIC AND VALUABLE NATURAL
RESOURCES ARE IN CONTESTED OR COMMUNIST HANDS BUT
VC CANNOT USE THEM AND GVN CANNOT GET AT THEM. THESE
INCLUDE TIMBER, MINERALS, RUBBER PLANTATIONS AND
CINNAMON ORCHARDS. ECON DETENTE TO PERMIT FREE
MOVEMENT OF RESOURCES MIGHT SERVE EVERYONE'S INTERESTS
AND COULD LEAD TO LOCAL MIL DEESCALATION, TO
CONSTRUCTIVE POLITICAL CONTACT AND PERHAPS TO DE FACTO
RECOGNITION OF ZONES OF CONTROL. BUT THIS APPEARS
UNLIKELY. KISSINGER

UNCLASSIFIED

<< END OF DOCUMENT >>

Message Attributes

Automatic Decaptioning: X
Capture Date: 27 JUL 1999
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: PRESS SUMMARIES
Control Number: n/a
Copy: SINGLE
Draft Date: 13 SEP 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974STATE202003
Document Source: ADS
Document Unique ID: 00
Drafter: EA/P:STAFF:PP
Enclosure: n/a
Executive Order: N/A
Errors: n/a
Film Number: D740258-0270
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19740990/abbryzwf.tel
Line Count: 580
Locator: TEXT ON-LINE, TEXT ON MICROFILM
Office: ORIGIN EA
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 11
Previous Channel Indicators:
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: martinml
Review Comment: n/a
Review Content Flags:
Review Date: 18 JUL 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <18 JUL 2002 by maustmc>; APPROVED <29 JAN 2003 by martinml>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: SEPTEMBER 13 EA PRESS SUMMARY
TAGS: PFOR, XC, US
To: SAIGON INFO ALL EAST ASIAN AND PACIFIC DIPLOMATIC POSTS
USSAGE NKP
CINCPAC
BIEN HOA
CAN THO
DANANG
HONG KONG

NHA TRANG
JEC PARIS
COGARD
TREASURY
XMT SUVA
RANGOON
Type: TE

Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005